

GOVERNMENT OF GUAM
Office of the Governor
Agana, Guam

EXECUTIVE ORDER NO. 16-59

WHEREAS, Section 11818, Government Code of Guam, authorizes the Board of Education to make regulations governing student loans, scholarships, and grants for transportation in connection therewith; and


WHEREAS, the aforesaid Section 11818, Government Code of Guam, provides that such regulations shall be subject to approval by the Governor, and shall be promulgated by Executive Order;

NOW, THEREFORE, by virtue of the foregoing, the attached Regulations governing Scholarships and Student Loans are hereby approved and promulgated, and shall be in force and effect as of the 8th day of September, 1959.

Dated at Agana, Guam, this 19th day of October, 1959.


RICHARD BARRETT LOWE
Governor of Guam

COUNTERSIGNED:


MARCELLUS GRAEME BOSS
Secretary of Guam

REGULATIONS GOVERNING SCHOLARSHIPS AND STUDENT LOANS.

These regulations are in implementation of Chapter 9, Title XII, Government Code of Guam, entitled "Scholarships and Student Loans."

1. SCHOLARSHIPS TO TERRITORIAL COLLEGE OF GUAM. The following pertain to scholarships under Section 11800, Subchapter A, Chapter 9, Title XII, Government Code:

- 1.1 ELIGIBILITY. The high school students in each graduating class of the public and private schools of Guam, who, upon completion of four years of high school, of which at least the last year shall have been in Guam, who are among the highest 20% of their class in scholastic standing, and who are graduated, are provided annual scholarships to the Territorial College. Each graduating class of such schools is entitled to one scholarship, and in addition, for every twenty-five (25) graduates or fraction thereof, an additional scholarship is provided. Each school shall make the selection based on scholarship, aptitude, interest, health, personality, ambition, and other criteria in accordance with regulations of the Board.
- 1.2 AMOUNT. Scholarships include textbooks and waiver of tuition and other fees for a period of two years, and an additional one or two years upon the future extension of the Territorial College to a three or four-year program respectively.
- 1.3 SUBMISSION. On or before June 15 of each year, high school principals will submit to the Dean the names of graduates of such year selected to receive scholarship awards.
- 1.4 ALTERNATES. In the event a recipient declines or fails to accept, an alternate graduate may be selected by the school in accordance with regulations of the Board: Provided that such alternate graduate meets all other requirements.
- 1.5 FAILURE TO ACCEPT: A recipient must, by July 15, indicate to the Dean that he will accept the scholarship awarded to him. If he fails to do so, the Dean will notify the principal of the school concerned so as to enable the school to select and to submit the name of an

appropriate alternate. If, by September 1 no alternate has accepted, the scholarship for that school and for that year shall be deemed forfeited.

1.6 CONDITIONS. Recipients must comply with the following conditions to avoid forfeiture:

- (a) Be enrolled at all times for a minimum of twelve (12) quarter hours leading toward a degree; and
- (b) Maintain a yearly grade-point average of 2.5 for a minimum of twelve (12) academic credits per quarter.

1.7 FORFEITURE. The following shall constitute a forfeiture of scholarship benefits:

- (a) Expulsion;
- (b) Suspension for a period of one quarter; or
- (c) Upon direction of the Board for failure to comply with applicable provisions of law and regulations of the Board.

1.8 CERTIFICATION. Scholarships when accepted shall be certified by the Dean to the Director.

2. TUITION WAIVER SCHOLARSHIPS, TEACHER EDUCATION PROGRAM. The following pertain to Scholarships under Section 11802, Subchapter A, Chapter 9, Title XII, Government Code:

2.1 ELIGIBILITY. Any student enrolled in the teacher education program of the Territorial College shall be awarded a tuition waiver scholarship, provided, if an entering freshman, such student has a cumulative high school grade-point average of 3.0 or better, or the equivalent, or if already enrolled, or is a transfer, has a cumulative grade-point average of 2.0 or better, or the equivalent, in college work. Scholarships shall be awarded for one quarter only, subject to renewal.

2.2 CONDITIONS. Recipients must comply with the following conditions:

- (a) Be enrolled at all times for a minimum of twelve (12)

quarter hours leading toward a degree in teacher education; and

- (b) To qualify for renewal, have a cumulative grade-point average of 2.0 or better for all courses taken at the Territorial College.

2.3 FORFEITURE. The following shall constitute a forfeiture of scholarship benefits:

- (a) Expulsion;
- (b) Suspension for a period of one quarter; or
- (c) Upon direction of the Board, for failure to comply with applicable provisions of law and regulations of the Board.

2.4 AWARDS. Scholarships shall be awarded and renewed by the Dean upon his determination of eligibility, and certified by him to the Director.

3. SCHOLARSHIPS FOR TERRITORIAL COLLEGE GRADUATES. The following pertain to scholarships under Subchapter B, Chapter 9, Title XII, Government Code:

3.1 ELIGIBILITY. Two students in each annual graduating class (an annual graduating class shall include students graduating during the regular academic year and following summer term) of the Territorial College are provided scholarships under the provisions of Subchapter B. Recipients shall be selected by the Territorial College Faculty on the basis of scholarship, aptitude, interest, health, personality, ambition, and other criteria consistent with the purposes of Subchapter B. Selections shall be certified to the Board by the Dean. To be eligible for selection an applicant must:

- (a) Submit an application on a form as prescribed and furnished by the Director;

- (b) Have a cumulative grade-point average of 3.0 or better, or the equivalent, upon graduation;
- (c) Be graduated from the Territorial College;
- (d) Be a citizen of the United States;
- (e) Have established residence in Guam for a period of at least two years immediately preceding the date his application is acted upon by the Board; and
- (f) Satisfactorily pass a physical examination administered by a competent and duly qualified physician.

3.2 AMOUNT. Scholarships shall be in an amount sufficient, as annually determined by the Board, to cover the cost of:

- (a) Room and board;
- (b) Books; and
- (c) Tuition and other college fees.

In addition the Board may provide, on the basis of financial necessity, grants to apply to or cover the cost of transportation to the college and return to Guam upon completion of studies. No application for a grant for return transportation will be considered prior to the final year of schooling.

3.3 TERM. Scholarships are for a term of two years and shall become effective in the fall academic term of the institution which the recipient will be attending and shall be in effect during the regular academic year and the following summer term or terms.

3.4 ALTERNATES. In the event a recipient declines or fails to accept by August 15 an alternate may be selected, subject to the same conditions and requirements. If, by September 15, there has been no acceptance, the scholarship for that year shall be deemed forfeited.

3.5 FORFEITURE. The following shall constitute a forfeiture of scholarship benefits:

- (a) Expulsion from the school or institution attended;
- (b) Suspension from the school or institution attended for a period the same as or greater than one academic semester or its equivalent; or
- (c) Upon direction of the Board, for failure to comply with applicable provisions of law and regulations of the Board.

3.6 CONDITIONS. Recipients must comply with the following:

- (a) Prior to any payments under a scholarship, the recipient must provide the Board with an official notice of acceptance as a regular full-time student in a course of study approved by the Board and leading to a Bachelor's degree in an accredited institution within the United States or its territories and approved by the Faculty of the Territorial College and by the Board.
- (b) As a condition to the continuation of the scholarship, and to avoid forfeiture, the recipient must:
 - (1) Continue his status as required by (a) hereof;
 - (2) Maintain a yearly grade-point average of 2.0 or better, or the equivalent;
 - (3) Secure Board approval before transferring to any other institution; and
 - (4) Comply with all applicable provisions of law and regulations of the Board.

3.7 EVALUATION. The Board will periodically, and in any event at the end of the first academic year, determine whether prescribed conditions have been complied with and take appropriate action.

4. PROFESSIONAL AND TECHNICAL SCHOLARSHIPS. The following pertain to scholarships under Subchapter C, Chapter 9, Title XII, Government Code:

4.1 SCHOLARSHIPS AVAILABLE. Professional and technical scholarships are available in the following numbers in each of the years indicated commencing with the fall academic term of the 1959 school year:

- (a) Medical Students--Two students per year for five years;
- (b) Pharmacy Students--One student per year for two years;
- (c) Veterinary Students--One student per year for two years;
- (d) Engineering Students--Two students per year for three years;
- (e) Entomology Students--One student per year for two years;
- (f) Agricultural Students--One student per year for three years;
- (g) Law Students--Two students for one year;
- (h) Education Students--Ten students per year for ten years; and
- (i) General--Eight students per year for five years.

4.2 LIMITATION TO ONE DEGREE. Scholarships are available for programs leading to either an undergraduate or graduate degree in the field indicated, but in no event will a single scholarship be awarded to achieve more than one degree. This provision does not, however, preclude an individual from consideration for an additional scholarship for a more advanced degree where available.

4.3 EXTENSION OF AVAILABILITY. In the event qualified applicants are not found in any given year for any or all scholarships the period of availability (except as to scholarships under (i) is hereby extended to the succeeding year, until all scholarships are awarded.

4.4 AMOUNT. Scholarships shall be in an amount sufficient, as annually determined by the Board, to cover the cost of:

- (a) Room and board;
- (b) Books; and
- (c) Tuition and other college fees.

In addition the Board may provide, on the basis of financial necessity, grants to apply to or cover the cost of transportation to the college and return to Guam upon completion of studies. No application for a grant for return transportation will be considered prior to the final year of schooling.

Scholarships shall be for such period as the recipient needs to complete the requirements for the degree or certificate issued upon graduation by the professional school or institution attended, and shall be determined by the Board in each case in making the award. However, such period shall be no longer than the usual period for the fulfilling of the requirements for the said degree or certificate by a student not having such a scholarship but similarly enrolled in the same professional school or institution.

4.5 ELIGIBILITY. To be eligible for selection an applicant must:

- (a) Submit an application on a form prescribed and furnished by the Director;
- (b) Be a citizen of the United States;
- (c) Have established residence in Guam for a period of at least two years immediately preceding the date his application is acted upon by the Board;
- (d) Submit his application on or before June 1 immediately preceding the fall academic term with which the scholarship is to begin;
- (e) Present documentary proof, prior to the granting of the scholarship, that he has accumulated approximately sixty (60) semester hours or ninety (90) quarter hours of

college credit, and has been admitted to a college or University to pursue a program of studies in the area of the scholarship applied for, which institution is an accredited college or university and approved by the Board, and located within the United States or its territories;

- (f) If applying for medicine or law scholarship, present documentary proof, prior to the granting of the scholarship, that he has satisfied the entrance requirements of and has been admitted to a professional graduate school in medicine or law, which institution is an accredited college or university and approved by the Board, and located within the United States or its territories;
- (g) Agree to be employed or make himself reasonably available for employment in his profession by the Government of Guam for a period of two years for each year of schooling under this scholarship, and to reimburse the Government of Guam the entire amount disbursed by the Government of Guam under this scholarship, for failure of the Student to comply with this condition, or a pro rata portion thereof in the event of partial compliance.
- (h) Agree in the case of forfeiture to reimburse the Government of Guam the entire amount disbursed by the Government of Guam under the scholarship, including any grant for transportation, or such lesser amount as the Board may determine.

4.6 SELECTION. The Board shall select recipients on the basis of scholarship, aptitude, interest, health, personality,

ambition and prospective ability as members of the respective professions for which scholarships are herein provided. Each applicant shall take any intelligence, aptitude or achievement tests that may be required by the Board for the purposes of better establishing the qualifications of the applicant.

4.7 ALTERNATES. In the event a recipient declines or fails to accept, an alternate may be selected, subject to the same conditions and requirements.

4.8 PRIORITIES. The Board, in considering and acting upon applications, will, according to law, give preference to applicants who have graduated from the Territorial College.

4.9 FORFEITURE. The following shall constitute a forfeiture of scholarship benefits:

- (a) Expulsion from the professional school or institution attended;
- (b) Suspension for a period the same as or greater than one academic semester or its equivalent from the professional school or institution attended;
- (c) Failure to complete the program for which the scholarship was awarded; or
- (d) Upon direction of the Board, for failure to comply with applicable provisions of law and regulations of the Board.

4.10 CONDITIONS. As a condition to the continuation of the scholarship, and to avoid forfeiture, the recipient must:

- (1) Continue his status as a regular full-time student in the institution to which originally admitted and in the same program and leading to the same degree for which the scholarship was awarded;

- (2) Maintain a yearly grade-point average of 2.0 or better, or the equivalent;
- (3) Secure Board approval before transferring to any other institution; and
- (4) Comply with all applicable provisions of law and regulations of the Board.

4.11 EFFECTIVE. All scholarships shall become effective in the fall academic term of the institution which the recipient will be attending and shall be in effect during the regular academic year and the following summer term or terms.

4.12 EVALUATION. The Board will periodically, and in any event at the end of each academic year, determine whether prescribed conditions have been complied with and take appropriate action.

5. STUDENT LOANS. The following pertain to Student Loans under Subchapter D, Chapter 9, Title XII, Government Code;

5.1 Procedure for Application and Granting

- (a) Applications must be completed and submitted to the Director of Education prior to July 1 of the school year where the loan is desired for the school year commencing with the fall academic term. Applications will be acted upon by the Board during July or as soon thereafter as possible. Only in unusual circumstances, or in the case of training courses not following the normal college year basis, will applications be considered at any other time.
- (b) Applications must be made on a form as prescribed and furnished by the Director, and will include a proposed budget showing complete estimated costs for the school year, itemized as to subject matter, and broken down on a quarterly or semester basis, as applicable, and the resources of the student, in justification of the amount requested.
- (c) When a loan has been approved by the Board, a loan agreement will be prepared for signature by the student and his co-signers and returned to the Director of Education. The student will submit a financial plan for disbursement of the loan as approved.
- (d) The Director of Education will sign the agreement for the Government, and forward it, together with the financial plan to the Director of Finance.
- (e) The Director of Finance will arrange for necessary disbursements and the signing of the required promissory note by the student and his co-signers.

5.2 Basic Factors to be Considered by the Board of Education.

- (a) Loans will be approved in the light of the availability of funds.
- (b) The Board shall consider such factors as those listed below, when reviewing applications. Any other pertinent factors may also be included in this review:
 - (1) Scholastic record of the applicant.
 - (2) Progress already made by the applicant in his formal scholastic preparation toward his educational goal.
 - (3) Financial need of the applicant.
 - (4) Type of training or education desired, and the need of the Territory of Guam for the persons with such preparation.
 - (5) Aptitude of the applicant relative to probable success in training for and employment in the area desired.
 - (6) Personal characteristics of the applicant.

5.3 Limitations. Loans are subject to the following limitations:

- (a) Loans may be used only for advanced education beyond the high school level, in an accredited college, university, or technical or trade school (herein referred to as "institutions"), including the Territorial College, in the United States or its territories.
- (b) They may be used only to cover, in all or part, the cost of transportation, room and board, tuition and other required school fees, for a period of not to exceed one academic year, including any summer session at the end of the regular school year, except that loans to students of the Territorial College shall not exceed \$250 a year, and to students in schools outside Guam shall not exceed \$1,500 a year.

- (c) In no case shall the total loaned any single student exceed \$5000.

5.4 Requirements. The following requirements are prescribed with regard to the approval of applications for loans:

- (a) Applicants must be either high school graduates, college students, or college graduates.
- (b) Loans shall not be granted for off-island education if reasonably suitable and similar education can be obtained locally in the Territorial College.
- (c) In reference to applicants who have not yet attended an institution, but who have graduated or are about to graduate from high school, it is required that they have a cumulative grade-point average of 2.5 or better. Exception to this rule may be made if the applicant desires training which is of a non-academic nature.
- (d) A student who has completed one or more years in the Territorial College must have a grade-point average of not less than 2.5 for the preceding year's work in order to qualify for a loan.
- (e) A student who has completed one or more years of work in an off-island institution must have a grade-point average of not less than 2.0 for the preceding year's work.
- (f) No additional loan will be granted beyond the first unless the student has maintained a grade-point average of 2.0 or better.
- (g) Prior to any payments under a loan, the recipient must provide the Board with an official notice of acceptance as a regular full-time student in a course of study approved by the Board.

- (h) Each applicant must satisfactorily pass a physical examination administered by a competent and duly qualified physician.
- (i) Each applicant shall take any intelligence, aptitude or achievement tests that may be required by the Board for purposes of better establishing the qualifications of the applicant for the proposed schooling.
- (j) Each applicant shall provide whatever pertinent information is needed by the Board to establish the financial need of the applicant.
- (k) Any student granted a loan under this section must agree to be available for employment by the Government of Guam for a period of years equal to the years of education financed by such loan.
- (l) The student must agree to repay the Government of Guam the principal of his loan or loans, together with interest at the rate of 1% per annum, in installments of not less than \$50.00 per month or in such larger installments sufficient to completely liquidate his entire obligation in any event within a 5-year period, payments to commence on the 1st day of the sixth month following completion of his course of study, and continuing until the full amount has been paid.

5.5 Students granted loans shall comply with the following requirements as a condition to continued payments and to preclude ineligibility for future loans:

- (a) The student must, at all times, keep the Board informed of his proper residence and mailing address.
- (b) The student shall be responsible for forwarding to the Board a copy of each term's grades and credits as soon as these are made available to the student.

- (c) A student may not transfer to another institution or change his course objective while using a student loan, without prior approval of the Board. Any such transfer or change made without this approval will make the student ineligible for any additional student loan.
- (d) A student may not withdraw from school while using a student loan, without prior approval of the Board, unless such withdrawal is caused by reasons completely beyond his control. Any withdrawal without approval will make the student ineligible for any additional loan.
- (e) Students who request and are granted loans are expected to show profitable use of summer vacations, and also to supplement their available income throughout the school year by the types of employment common to students. Exception may be granted at the request of the Dean of the institution he is attending, if, in the opinion of the Dean, such employment would be detrimental to the health or studies of the student.
- (f) Any student who uses any funds available to him to return to Guam for a visit during the summer months shall not be eligible for a loan during the succeeding year, unless such travel was performed because of an emergency.

5.6 Any student who is suspended, dismissed or expelled for reasons of low scholarship, disciplinary action, or other cause justifiable in the eyes of the school shall not be eligible for any student loan. Likewise, any student who withdraws from a school in anticipation of any of the above actions by the school shall not be eligible for any student loan. Further, in either event, no further disbursements shall be made under any current loan.

5.7 Acceleration. In the event of the occurrence of any event listed under 5.6, or when the student voluntarily terminates his educational program, is involved in any action unbecoming a student from Guam, or violates any applicable law or regulation pertaining to student loans, the Government of Guam may, at its option, declare the full amount of any loan, together with interest, to be immediately due and payable.

5.8 Extensions.

- (a) The Board, upon the written request of a student who becomes a member of the armed forces of the United States, may allow the student to postpone the beginning of repayments for a period of up to two years after the date of the student's enlistment or induction into the armed forces. If requested by the student, additional postponement may be granted. The granting of such additional postponement shall be determined on the merits of each case.
- (b) The Board, upon the written request of a student not a member of the armed forces, may postpone the beginning of repayments for a period of six months beyond the first due date. Such postponement may be granted in hardship cases and in other cases which, in the judgment of the Board merit postponement.

6. FINANCIAL.

- 6.1 All payments under scholarships or loans are subject to the availability of funds in the Fund.
- 6.2 The Director of Finance is responsible for the handling of all disbursements, reimbursements and collections with regard to scholarships and loans, including all loans made prior to the enactment of Public Law 5-38.

- 6.3 The Director is responsible for certifying to the Director of Finance all scholarship awards, and all loans, for action by the Director of Finance.
- 6.4 Credit earned toward repayment of loans by employment with the Government of Guam, pursuant to loan agreements entered into on or before August 13, 1954, the date of approval of Public Law 118, Second Guam Legislature, shall be charged against the Fund, and not the appropriation of the employing department. No such credit is authorized with regard to loans made after August 13, 1954.
- 6.5 All disbursements under scholarships and loans shall be charged against the Fund, including waiver of tuition scholarships under Sections 1 and 2.
- 6.6 The Director of Finance shall prepare a monthly financial report concerning the Fund, including the status of all outstanding scholarships and loans, for submission to the Board, the Director and the Governor.


7. GENERAL.

- 7.1 DEFINITIONS. As used in these regulations:
- (a) "Director" means Director of Education.
 - (b) "Board" means Board of Education.
 - (c) "Territorial College" means Territorial College of Guam.
 - (d) "Fund" means the Scholarship and Student Loan Fund.
 - (e) "Dean" means Dean of the Territorial College.
- 7.2 GRADING SYSTEM. Grade-point averages mentioned in these regulations are based on the following system:
- A - 4 points
 - B - 3 points
 - C - 2 points
 - D - 1 point

- Where institutions use another system, the Board shall determine the equivalent in making transpositions to determine compliance with requirements.
- 7.3 NONTRANSFERABLE. All scholarships and loans are non-transferable, i.e., they may not be transferred by the recipient to another person.
- 7.4 COMPLETION. Once a scholarship award is accepted, unless cancelled prior to any disbursement, it is no longer available for award and is deemed completed.
- 7.5 THEOLOGICAL STUDIES. No loan or scholarship shall be awarded for the purpose of pursuing theological studies.
- 7.6 APPLICATION. As applicable, these regulations shall govern existing scholarships and loans.
- 7.7 SUBMISSION OF NAMES. The Director of Finance shall periodically prepare a list of all names of students who are granted scholarships or loans, pursuant to Chapter 9, Title XII, Government Code, together with a letter of transmittal, for forwarding to the Legislature by the Governor prior to the commencement of the school term for which the loans and scholarships have been granted.
- 7.8 SUBMISSION OF REGULATIONS. In accordance with Executive Order 3-55, the third original copy of these regulations, and any amendment or repeal thereof, shall be submitted to the Legislature by the Secretary.


7.9 REPEAL. These regulations supersede all prior regulations pertaining to Scholarships and Student Loans.

The foregoing regulations were duly adopted by the Board of Education on September 8, 1959, and in certification thereof the undersigned by direction of the Board has affixed his signature thereto.

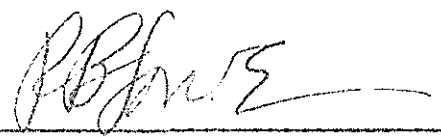

J. R. TRACE
Director of Education and
Executive Officer,
Board of Education.

Approved as to the Department of Finance.

Date: OCT 1 1959


RICHARD F. TAITANO
Director of Finance

APPROVED:


RICHARD BARRETT LOWE
Governor of Guam